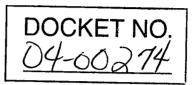
TENNESSEE WASTEWATER SYSTEMS, INC. A PUBLIC UTILITY CO.

August 31, 2004

Honorable Pat Miller Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505



RE:

Petition to amend Certificate of Convenience and Necessity

Dear Chairman Miller:

On-Site Systems Inc. desires to expand its service area to include a portion of Blount County, Tennessee, known as Merril Taylor Subdivision. The attached Petition is in support of our request.

Sincerely,

Charles Pickney, Jr., President

On-Site Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733 (615) 356-2880 Fax (615) 356-7295

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE:	PETITION OF TENNESSEE WASTEWATER SYSTEMS, INC. TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY
DO	CKET No
	Petition of Tennessee Wastewater Systems, Inc. To amend its Certificate of Convenience and Necessity

Tennessee Wastewater Systems, Inc. ("TWS") petitions the Tennessee Regulatory Authority ("TRA") to amend TWS's Certificate of Convenience and Necessity to expand its service area to include a portion of Blount County known as Merril Taylor Subdivision. (See proposed service area map Exhibit "A"). The proposed service area is approximately 3.1 acres described as parcel 49 and 49.01 of tax maps 24. The Town of Louisville, Blount County and the South Blount County Utility District, do not desire nor do they have plans to provide sewer service to this area (See attached letters)

Respectfully submitted,

Charles Pickney Jr., President Tennessee Wastewater Systems, Inc.

Tennessee Wastewater Systems, Inc. Sewer Systems with Commercial Customers

System	County
Townsend Town Square – 99-00659	Blount County
Coopertown - 00-01128	Robertson County
East Stewart - 01-00229	Stewart County
Highway 31 Project (Herndon's BP) - 01-00446	Robertson County
Lyles Texaco - 01-00756	Hickman County
Topside Business Park – 01-00220	Blount County
Stewart County West - 02-00477	Stewart County
Cedar Hill Baptist Church – 03-00287	Robertson County
Tims Ford Area – 03-00286	Franklin County
Sunnybrook - 03-00307	Robertson County
Sevier County - 03-00045	Sevier County
Smoky Cove Subdivision – 03-00377	Sevier County
King Branch Road – 03-00386	Sevier County
Weigel's Convenience Store – 03-00519	Roane County
Paris Landing Area – 03-00544	Henry County
Turner's Landing – 04-00053	Hamblen County
Spring Creek Ranch – 04-00123	Shelby County
Marion Womack Property (Creekview Estates)	Sumner County
Arbor Crest Subdivision (Pending)	Davidson County
Collierville Gardens (Pending)	Shelby County
Merril Taylor Subdivision	Blount County

Tariff Rate Sheet

Commercial Sewer Rates – without food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

Treatment

	Drip Irrigation	Point Discharge	Off Site
Sand-Gravel Filter	\$140 00	\$165 00	N/A
Lagoon	\$116 00	\$140 00	N/A
* Off Site	N/A	N/A	Pass through costs & \$73 00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10
Reconnection - \$15
Returned Check - \$20

City of Coopertown Franchise Fees: 3%

Tariff Rate Sheet

Commercial Sewer Rates - with food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

<u>Disposal</u>

Treatment

	Drip Irrigation	Point Discharge	Off Site
Sand-Gravel Filter	\$170 00	\$192 00	N/A
Lagoon	\$142 00	\$163 00	N/A
* Off Site	N/A	N/A	Pass through costs & \$94 00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%

Disconnection - \$10 Reconnection - \$15 Returned Check - \$20

City of Coopertown Franchise Fees: 3%

Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary **Residential Sewer Rates**

System		Monthly Charge
Oakwood Subdivision – Maury County – 99-00393	- Sheet 1	\$35.11
Southridge Subdivision – Montgomery County – 97	7-01104 - Sheet 2	\$23.94 + actual costs
Swan Harbor – Roane County – 97-01003 – Sheet 3	3	\$35.11
River Road Utility District – Cheatham County – 9	7-01394 – Sheet 4	\$31.15
Milcrofton Utility District – Williamson County – 9	97-01393 – Sheet 5	\$37.21
Tall Oaks Subdivision – Blount County – 98-00790) - Sheet 6	\$35.11
Yoakum Hollow Dev. (Windsor Pt) – Campbell Co	ounty – 98-00881 – Sheet 7	\$35.11
Shreibman Development – Cannon County – 98-00	0880 – Sheet 8	\$35 11
Cornerstone of Mitchell Creek – Overton County –	99-00357 – Sheet 9	\$35.11
Bolton Area – Shelby County - 99-00724 – Sheet 1	10	\$32.68
Ussery #1- Sevier County – 00-00198 – Sheet 11		\$35.11
Harbor Pointe – Dekalb County – 00-00149 - Shee	et 12	\$35.11
Hidden Springs Resort – Sevier County – 00-00379	9 - Sheet 13	\$35.11
Eagle Crest Development – Sevier County – 01-00	234 – Sheet 14	\$35.11
Legacy Bay – Hawkins County – 00-00622 - Shee	et 15	\$35.11
Dollywood Project (Dream Catcher Ridge) - Sevie	r County – 01-00424 – Sheet	16 \$35.11
Homestead Subdivision – Sevier County – 01-0042	23 – Sheet 17	\$35.11
Rice Property (Blue Water Bay) - DeKalb County	- 01-00425 - Sheet 18	\$35.11
East Stewart – Stewart County – 01-00229	Lagoon – Sheet 19 Fixed Film Treatment – She	\$30 98 eet 20 \$35.11

Fees: Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

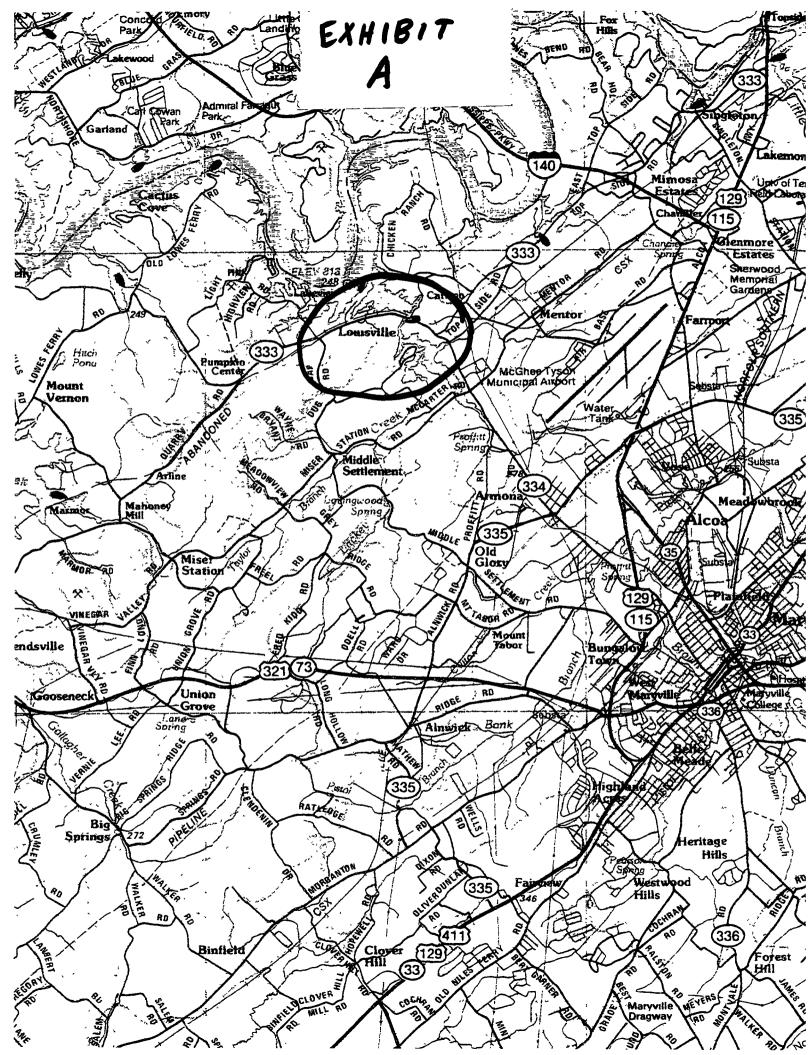
System	Monthly Charge
Eagle Springs Subdivision – Sevier County – 01-00445 – Sheet 21	\$35.11
Jackson Bend Subdivision – Blount County - 01-00221 – Sheet 22	\$35.11
Browning Subdivision – Knox County – 01-00492 – Sheet 23	\$35.11
Starr Crest II - Sevier County - 01-00755 - Sheet 24	\$35.11
City of Coopertown - Robertson County - 00-01128 Lagoon - Sheet 25 Fixed Film Treatment - Sheet	\$30.98 + 3% Franchise fee et 26 \$35.11 + 3% Franchise fee
Horseshoe Bend – Bedford County – 01-01025 – Sheet 27	\$35.11
Eagle Crest II - Sevier County - 01-01128 - Sheet 28	\$35.11
Eagle Crest Resort – Sevier County – 01-00183 – Sheet 29	\$35.11
Gnatty Branch Retreat – Sevier County – 02-00055 – Sheet 30	\$35.11
Airbase Road Condominiums – Blount County – 02-00478 - Sheet 31	\$35 11
Goose Creek Area -Williamson County – 02-00172 – Lagoon - Sheet 32 Fixed Film Treatment – Shee	\$35.50 et 33 \$40.71
Falling Waters – Sevier County – 02-00782 – Sheet 34	\$35.11
Stewart County West - Stewart County - 02-00477 - Sheet 35	\$35.11
Lighthouse Point Condominiums – Jefferson County – 02-00732 – Sheet 36	\$35.11
The Highlands – Sevier County – 02-00781 – Sheet 37	\$35 11
Highland Cove – Dekalb County – 03-00242 – Sheet 38	\$35.11

Fees: Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

System Month	nly Charge
Tims Ford State Park Area-Franklin County - 03-00286 - Lagoon - Sheet 39	30.98 +
Fixed Film Treatment – Sheet 40	bonding costs 35.11+ bonding costs
Black Bear – Sevier County – 03-00192 – Sheet 41	\$35.11
Sunnybrook – Robertson County – 03-00307 – Sheet 42	\$35.11
Sevier County – Sevier County – 03-00045 Lagoon – Sheet 43 Fixed Film Treatment – Sheet 44	\$30.98 \$35.11
Smoky Cove Subdivision – Sevier County – 03-00377 – Sheet 45	\$35.11
King Branch Road – Sevier County – 03-00386 – Sheet 46	\$35.11
Paris Landing - Henry County - 03-00544 - Lagoon Treatment - Sheet 47 Fixed Film Treatment - Sheet 48	\$30.98 \$35.11
Walnut Grove – Giles County - 04-00054 – Sheet 49	\$35.11
Turner's Landing – Hamblen County – 04-00053 – Sheet 50	\$35 11
Spring Creek Ranch – Shelby County – 04-00123 - Sheet 51	\$35.11
Marion Womack Property (Creekview Estates) – Sumner County – 04-00170 – Shee	et 52 \$35.11
Arbor Crest Subdivision – Davidson County – 04-00171 – Sheet 53	\$35.11
Collierville Gardens – Shelby County	\$35.11
Merril Taylor Subdivision – Blount County	\$35.11

Fees: Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr



Telephone (865) 982-3560 Fax (865) 984-8330

SOUTH BLOUNT COUNTY UTILITY DISTRICT

808 W. Lamar Alexander Pkwy. Maryville, TN 37801



April 2, 2004

Michael Hines Tennessee Wastewater Systems, Inc P.O. Box 22771 Knoxville, TN 37933

Dear Mr. Hines,

In reference to your letter concerning sewer service on Turtle Cove in Louisville, South Blount County Utility District is not a provider of sewer service. South Blount is a water distributor only.

If you have any questions please feel free to call our office at 982-3560.

J. som Lail

District Manager



TOWN OF LOUISVILLE

P. O. BOX 215 LOUISVILLE, TENNESSEE 37777

GERALDINE ANDERSON, Mayor

WILLIAM MARCUS, Vice Mayor MICHAEL LONG, Recorder KAY LONG, Assistant Recorder ROBERT GORMLEY, Alderman CECIL HATCHER, Alderman MICHAEL MUND, Alderman

April 6, 2004

Tennessee Wastewater Systems, Inc. Mr. Michael Hines, M.S., P.E, Vice-President P. O. Box 22771 Knoxville, TN 37933-0771

RE. Tax Map 24, Parcels 49 & 49 01

Dear Mr. Hines:

In response to your letter of March 29, 2004, regarding the possibility of sewer being provided by the Town of Louisville to the above mentioned property, there are no plans for sewer in the Town of Louisville.

Should you need additional information concerning this situation, please feel free to contact me during business hours at 681-1093.

Sincerely,

Geraldine Anderson

Mayor

cc: Mr. Gary Ferguson Director

Geraldine anderson

Blount County Environmental Health Department

P. O. Box 4609

Maryville, TN 37802-4609